

Remarks/Arguments:

Claims 1-35 are pending and stand rejected.

By this Amendment, claims 1-35 are amended.

No new matter is presented by claim amendments. Support for the claims amendments can be found throughout the original specification. For example, support can be found in the original specification at page 78, last paragraph to page 82, first paragraph and FIG. 13.

Rejection of Claims 1, 5-7, 9 and 12 under 37 U.S.C. §102(b)

In the Office Action, at item 2, claims 1, 5-7, 9 and 12 are rejected under 37 U.S.C. §102(b) as being anticipated by Teicher (US Patent No. 5,728,999)

Reconsideration is respectfully requested.

Claim 1

Claim 1 is directed to a method of processing a cashless payment transaction, and recites:

...

performing a first attempt at a remote transaction authorization for the cashless payment transaction ...

selectively performing either another attempt at the remote transaction authorization for the cashless payment transaction or a local transaction authorization test for the cashless payment transaction, responsive to a number of previously unsuccessful attempts to remotely authorize the cashless payment transaction exceeding a threshold number.

...

That is, performance of either an attempt at remote transaction authorization or a local transaction authorization test is responsive to the number of previously unsuccessful attempts at remote authorization.

Teicher Reference

Teicher discloses a transaction selector 1015 which selects automatically the proper transaction sequence in response to the payment sum, the balance in the electronic purse and the minimal sum allowed for the electronic checkbook transaction. The transaction selector 1015 of Teicher selects one of the payment units (namely, an electronic purse payment unit 1017, an electronic checkbook payment unit 1019 or an electronic purse replenishment unit 1018). Teicher further discloses a validity check is performed to determine whether the

payment card is valid and whether it can be charged after the purchase has been completed for the maximum possible purchase value. (See Teicher at column 13, lines 29-38 and column 13, lines 5-9.) Teicher, however, is silent regarding "selectively performing either an attempt at a remote transaction authorization for the cashless payment transaction or a local transaction authorization test for the cashless payment transaction, responsive to a number of previously unsuccessful attempts to remotely authorize the cashless payment transaction exceeding a threshold number," as required by claim 1. This is because, for example, Teicher does not discuss details related to local transaction authorization with the exception of the disclosure that an offline validity check (local authorization) may be allowed when additional security measures are taken such as the use of a pin code for checking a red list of lost and stolen cards. (See Teicher at column 14, lines 20-24.) Thus, Teicher does not discuss any details related to the selective performance of "either another attempt at a remote transaction authorization for the cashless payment transaction or a local transaction authorization test for the cashless payment transaction" and, furthermore, such selective performance being "responsive to a number of previously unsuccessful attempts to remotely authorize the cashless payment transaction exceeding a threshold number," as required by claim 1.

Accordingly, it is submitted that claim 1 patentably distinguishes over Teicher for at least the above-mentioned reasons.

Claims 5-7, 9 and 12

Claims 5-7, 9 and 12, which include all of the limitations of claim 1, are submitted to patentably distinguish over Teicher for at least the same reasons as claim 1.

Rejection of Claims 3-4, 17-21, 23, 25 and 29-33 under 35 U.S.C. §103(a)

In the Office Action, at item 4, claims 3-4, 17-21, 23, 25 and 29-33 are rejected under 35 U.S.C. §103(a) as being unpatentable over Teicher.

Reconsideration is respectfully requested.

Claims 3-4 and 17

Claims 3-4 and 17, which include all of the limitations of claim 1, are submitted to patentably distinguish over Teicher for at least the same reasons as claim 1.

Claim 18

Claim 18 recites similar limitations to those of claim 1, namely:

...

setting a local authorization flag after a predetermined number of unsuccessful attempts to remotely authorize said cashless payment transaction ...

performing either an attempt at the remote transaction authorization for the cashless payment transaction responsive to the local authorization flag not being set or a local transaction authorization test for the cashless payment responsive to the local authorization flag being set ...

repeating at least steps (b) and (c) responsive to an unsuccessful attempt to remotely authorize said cashless payment transaction.

...

That is, performance of either an attempt at remote transaction authorization or a local transaction authorization test is responsive to the local authorization flag being set or not being set. Moreover, the local authorization flag is set after a predetermined number of unsuccessful attempts to remotely authorize the cashless payment transaction.

Teicher is silent regarding performance of either an attempt at remote transaction authorization or a local transaction authorization test based on a condition (i.e., the local authorization flag being set or not being set) where the local transaction flag is set after a predetermined number of unsuccessful attempts to remotely authorize the cashless payment transaction.

Accordingly, it is submitted that claim 18 patentably distinguishes over Teicher for at least the above-mentioned reasons.

Claims 19-21, 23, 25 and 29-33

Claims 19-21, 23, 25 and 29-33, which include all of the limitations of claim 18, are submitted to patentably distinguish over Teicher for at least the same reasons as claim 18.

Rejection of Claims 2, 8, 10-11, 13-16, 22, 24 and 26-28 under 35 U.S.C. §103(a)

In the Office Action, at page 5, claims 2, 8, 10-11, 13-16, 22, 24 and 26-28 are rejected under 35 U.S.C. §103(a) as being unpatentable over Teicher in view of Levasseur (US Patent No. 6,427,912).

Reconsideration is respectfully requested.

Claims 2, 8, 10-11, 13-16, 22, 24 and 26-28, which include all of the limitations of claim 1 or claim 18, are submitted to patentably distinguish over Teicher for at least the same reasons as claim 1 or claim 18.

The addition of Levasseur does not overcome the deficiencies of Teicher. This is because Levasseur does not disclose or suggest "selectively performing either another attempt at the remote transaction authorization for the cashless payment transaction or a local transaction authorization test for the cashless payment transaction, responsive to a number of previously unsuccessful attempts to remotely authorize the cashless payment transaction exceeding a threshold number," as required by claim 1 or "performing either an attempt at a remote transaction authorization for the cashless payment transaction responsive to the local authorization flag not being set or a local transaction authorization test for the cashless payment transaction responsive to the local authorization flag being set," as required by claim 18. Instead, Levasseur discloses that an off-line credit card transaction system may be constructed to limit the number of transactions that are authorized for a given credit card at a given point-of-sale location during specified time periods. (See Levasseur at column 2, lines 55-59.) That is, in Levasseur authorization of an off-line credit card transaction is responsive to the number of transactions at a given point-of-sale location during a respective period of time being below a threshold. Levasseur, however, is silent regarding anything related to performance of either on-line or off-line authorization responsive to "a number of previously unsuccessful attempts to remotely authorize the cashless payment transaction exceeding a threshold number," (emphasis added), as required by claim 1 or responsive to the local authorization flag being set/not set.

According, it is submitted that claims 2, 8, 10-11, 13-16, 22, 24 and 26-28 patentably distinguish over Teicher in view of Levasseur for at least the above-mentioned reasons.

Rejection of Claim 34 under 35 U.S.C. §103(a)

In the Office Action, at Item 5, claim 34 is rejected under 35 U.S.C. § 103 (a) as being unpatentable over Teicher in view of Muftic (US Patent No. 5,850,442).

Reconsideration is respectfully requested.

Claim 34, which includes all of the limitations of claim 18, is submitted to patentably distinguish over Teicher for at least the same reasons as claim 18.

The addition of Muftic does not overcome the deficiencies of Teicher. This is because Muftic does not disclose or suggest "performing either an attempt at a remote transaction authorization for the cashless payment transaction responsive to the local authorization flag not being set or a local transaction authorization test for the cashless payment transaction responsive to the local authorization flag being set," as required by claim 18.

Muftic, which the Examiner uses to teach conducting a variety of common electronic business transactions over an extended network and conversion of electronic money into a desired international currency, is silent regarding details related to "a remote transaction authorization" or "a local transaction authorization test" and, furthermore, the use of "a local authorization flag," as required by claim 18.

Accordingly, it is submitted that claim 34 patentably distinguishes over Teicher in view of Muftic for at least the above-mentioned reasons.

Rejection of Claim 35 under 35 U.S.C. §103(a)

In the Office Action, at item 6, claim 35 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Teicher in view of Boston (US Patent No. 4,812,628).

Reconsideration is respectfully requested.

Claim 35, which includes all of the limitations of claim 18, is submitted to patentably distinguish over Teicher for at least the same reasons as claim 18.

The addition of Boston does not overcome the deficiencies of Teicher. This is because Boston does not disclose or suggest "performing either an attempt at a remote transaction authorization for the cashless payment transaction responsive to the local authorization flag not being set or a local transaction authorization test for the cashless payment transaction responsive to the local authorization flag being set," as required by claim 18. Instead, Boston discloses that a terminal is capable of reading risk assessment information on a card and comparing the information to the transaction amount. This information is compared to determine if an approval can be granted without communicating with an issuer. If the evaluation is favorable, the terminal will generate an off-line approval. If the evaluation falls beyond the limits recorded on the card, an authorization request will be sent along communication lines 24 to the issuer 20. (See Boston at column 6, lines 37-46). That is, Boston teaches the use of risk assessment information and transaction amount limits to determine if on-line approval is necessary. Boston, however, is silent regarding details related to, for example, the use of "a local authorization flag," and, furthermore, the setting of such a flag after "a predetermined number of unsuccessful attempts to remotely authorize said cashless payment transaction," as required by claim 18.

Accordingly, it is submitted that claim 35 patentably distinguishes over Teicher in view of Boston for at least the above-mentioned reasons.

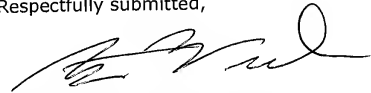
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Conclusion

In view of the claim amendments and remarks, Applicant submits the application is in condition for allowance, which action is respectfully requested.

Respectfully submitted,



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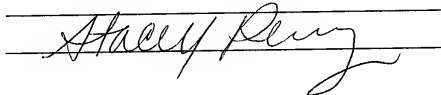
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